

# United States Senate

WASHINGTON, DC 20510

July 3, 2008

The Honorable Harry Reid  
Majority Leader  
United States Senate  
Washington, DC 20510

Dear Leader Reid:

We are writing to urge you to permit a vote on a 31-day extension of expiring Medicare provisions immediately upon the reconvening of the Senate next week. There is no reason for Congress to have recessed without addressing this important issue. Republicans have requested an extension of current law multiple times and each time the majority objected. We could have, and should have, passed this bill last Thursday before adjourning the Senate and while the House could have acted in time. We must now act to extend this law so that we can reach a bipartisan resolution. Failure to act on a short-term extension sends the message that politics trumps the well-being of Medicare beneficiaries and providers.

The Senate's failure to pass a simple extension jeopardizes access for millions of Medicare beneficiaries and creates financial challenges for health care providers. The Senate has sought an extension for nearly every critical program facing expiration. Acting responsibly and passing a short-term extension of expiring Medicare provisions should be an equally high priority.

In good faith, Republicans offered multiple pathways for avoiding the current situation in which numerous provisions of Medicare law have unfortunately been allowed to expire. These expiring provisions include the physician fee update, which if not addressed by mid-July will result in a reduction in physician fees of 10.6 percent. In addition, other important provisions were allowed to expire including the program for Qualified Individuals, which pays for Part B premiums for low-income seniors and the exceptions process for the Part B therapy cap, which will result in seniors being unable to access vitally needed physical and occupational therapy.

Long before the vote occurred last Thursday night, it was obvious that a short-term extension of the program was needed. The Administration had issued veto threats in Statements of Administration Policy on June 12, June 24 and June 26. Even if the House bill had passed the Senate, attempting to override a veto is a lengthy process, so a short-term extension would still have been appropriate and necessary. On the morning of the cloture vote, Thursday, June 26 shortly after 10:00am, Senator Gregg asked for unanimous consent to pass a one-month extension of current law to avert the 10.6 percent physician payment cut and the expiration of numerous important provisions of Medicare law that affect beneficiaries. Unfortunately, an objection from the Democratic side was heard even though the House remained in session and could have passed the extension prior to adjourning. As a

result, despite our repeated urgings that the Senate act to avert a physician payment cut and the expiration of critical provisions, Democratic leadership blocked an immediate resolution, which the President could have signed into law.

In addition, after the cloture vote on Thursday night, Senator McConnell asked for unanimous consent for a one-month extension and the Democratic side objected, calling the extension of this important law a “phony exercise,” even though the House of Representatives was still in session. Furthermore, that same day the Democratic leadership of the Senate had allowed a three-month extension of Federal Aviation Administration law, and earlier in the week, an extension of the Higher Education Act. Both cleared the Senate by unanimous consent. In fact, Senator Reid, on the FAA extension you noted that, “at this stage we have some problems. So, anyway, we have gone for a 6-month extension....” We are asking that the same consideration that was given to pilots and teachers be given to doctors and seniors; that we enact a temporary extension while we work out the remaining problems.

This is a terribly unfortunate situation that could easily have been avoided. During September and October of 2007, when Congress was engaged in difficult negotiations over the reauthorization of the State Children’s Health Insurance Program (SCHIP), Congress did not allow that program to expire. There, too, it was crystal clear that the President intended to veto that legislation, and during that contentious debate, we set politics aside and passed temporary extensions of that important program. Likewise, in the case of Medicare, the Senate should set political games aside, act responsibly, and pass a short-term extension of current law.

Republicans continue to believe that immediate action on a short-term extension is necessary. The millions of beneficiaries who depend on Medicare and the providers who treat them are not political pawns in a partisan game and Congress should not treat them that way. Such action is essential while Congress completes its consideration of the longer-term legislation at issue. Accordingly, we are renewing our call for the Senate to take the responsible step of passing a 31-day extension to allow for an orderly and proper debate to occur on the bigger issues involved in the 18-month Medicare package that is pending.

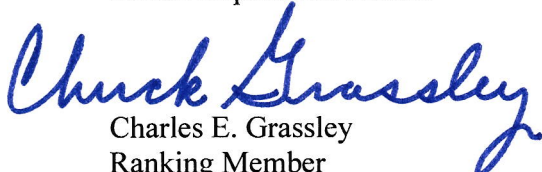
Sincerely,



Mitch McConnell  
Senate Republican Leader



Jon Kyl  
Senate Republican Whip



Charles E. Grassley  
Ranking Member  
Senate Committee on Finance